

Foreign Agricultural Service *GAIN* Report

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Japan

Solid Wood Products

Japan Firms Up Tariff Strategy on Wood Products

Under WTO

2002

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Report Highlights:

According to a press report, the Japanese government has firmed-up a strategy to oppose early tariff reduction on wood products in WTO trade talks. An unofficial translation of the press report follows.

The following is an unofficial translation of an article, featured in the Japan Agricultural Paper (Nihon Nogyo Shimbun) of May 19, 2002, reporting Japan's renewed strategy to oppose tariff reduction on forest products in WTO trade discussions.

OPPOSED TO EARLY TARIFF REDUCTION - MAFF's WTO Negotiating Strategy for the Forest Products Sector . MAFF TO PRESS FOR RESTRICTIONS AGAINST ILLEGAL LOGGING.

The Ministry of Agriculture, Forestry and Fisheries firmed-up its WTO negotiating strategy on May 18th to deal with forest and fisheries products. The strategy makes clear that in the forest product trade talks, early tariff reduction or mutual elimination of tariff on the forest products, demanded by the U.S. and its allies cannot be accepted. Furthermore, it seeks to explore a new framework of forest product trade by calling to limit forest product trade to products originating from legally-harvested logs in order to limit the impact on the environment.

This strategy, based on the "Fundamental Policy for WTO negotiations in the Forest and Fisheries Products Sector", originally drafted in April last year as a trilateral consensus agreement by representatives of the Ministry, Liberal Democratic Party and domestic industry groups, was completed November last year in the aftermath of the WTO-Doha Ministerial Declaration. The strategy addresses the importance of the multi-functional benefits of forests to society, such as a need to maintain a barrier against global warming and a habitat for diverse biological organisms.

Approximately 9,400,000 hectares, or the equivalent of approximately 50% of Japan's entire forest land, of the world's forest resources are lost each year. The Japan strategy also addresses the to deal with WTO trade talks not only from the trade liberalization perspective, but also the global and environmental perspective.

Illegal logging, a matter of increasing concern in Russia and Indonesia, will be on the agenda at WTO's "trade and environment" committee. This issue was also taken up as an agenda item at the Kyushu-Okinawa Summit in 2000 in support of the initiative to explore a new framework to ban illegally harvested logs from forest product trade.

End of Report.